

IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

|                           |   |                      |
|---------------------------|---|----------------------|
| UNITED STATES OF AMERICA, | ) |                      |
|                           | ) |                      |
| Plaintiff,                | ) | CIVIL NO. 1 : 13cv64 |
|                           | ) |                      |
| vs.                       | ) |                      |
|                           | ) |                      |
| LYNETTE A. HARDING a/k/a  | ) |                      |
| LYNETTE A. SMITH,         | ) |                      |
|                           | ) |                      |
| Defendant.                | ) |                      |

COMPLAINT IN MORTGAGE FORECLOSURE –  
STRICTLY AN *IN REM* ACTION

AND NOW comes the United States of America, acting through the Rural Housing Service, United States Department of Agriculture by its attorneys, David J. Hickton, United States Attorney for the Western District of Pennsylvania and McGrath Law Group, P.C., and respectfully represents as follows:

1. Plaintiff is the United States of America, acting through the Rural Housing Service, United States Department of Agriculture (hereinafter referred to as “Plaintiff”).

2. Defendant, Lynette A. Harding a/k/a Lynette A. Smith, has a last known address of P.O. Box 385, 520 Grant Street, Saegertown, Pennsylvania 16433 (hereinafter referred to as “Defendant”).

3. This Court has jurisdiction over this action pursuant to the provisions of 28 U.S.C. §1345.

4. On February 14, 2006, Plaintiff made a loan to Defendant in the sum of \$74,860.00, bearing interest at the rate of 5.375% per annum, payable in monthly installments as evidenced by a Promissory Note (the “Note”) dated February 14, 2006, executed by Defendant.

A true and correct copy of the Note is attached hereto as **Exhibit “A”** and made a part hereof as if set forth in its entirety at this point.

5. In order to secure payment of all sums due under the Note, on February 14, 2006, Defendant, made, executed and delivered a Mortgage for Pennsylvania (“Mortgage”) to Plaintiff. Said Mortgage further provided in its terms that upon default in the payment of any installment due under the Note, the entire indebtedness shall, at the option of the obligee, become due and payable immediately.

6. The real property that is subject to the Mortgage is located in Crawford County, Commonwealth of Pennsylvania, and is commonly known as 280 S. Second Street, Conneaut Lake, Pennsylvania 16316 (the “Property”).

7. The Mortgage was recorded on February 16, 2006, in the Recorder’s Office of Crawford County, Pennsylvania, in Record Book Volume 807, Page 187 and at Instrument No. 200600001710. A true and correct copy of the Mortgage is attached hereto as **Exhibit “B,”** and made a part hereof as if set forth in its entirety at this point.

8. Defendant is in default on the Note and Mortgage for failing to make payments to Plaintiff when due under the Note and Mortgage. As a result of this default, Plaintiff accelerated the balance due under the Note and Mortgage and Defendant is presently in default on the Note and Mortgage for failing to pay Plaintiff the accelerated balance.

9. On January 25, 2013, Defendant received a Chapter 7 bankruptcy discharge at Case No. 12-11401-TPA in the U.S. Bankruptcy Court for the Western District of Pennsylvania, and Defendant no longer has any personal liability in connection with the Note and Mortgage.

10. On or about October 5, 2011, Plaintiff sent Defendant Notices of Intention to Foreclose by certified mail to her last known address. True and correct copies of the Notices are attached hereto as **Exhibit “C,”** and made a part hereof as if set forth in its entirety at this point.

11. The accelerated balance presently due to Plaintiff on the Note is as follows:

|                                      |                    |
|--------------------------------------|--------------------|
| Principal                            | \$ 69,257.53       |
| Interest to 02/26/13                 | \$ 6,415.25        |
| Interest Credit Subject to Recapture | \$ 4,371.60        |
| Escrow Charges                       | \$ <u>2,235.93</u> |
| Total                                | \$ 82,280.31       |

together with interest from February 26, 2013, at the contractual rate of 5.375% per annum to the date of judgment, plus interest from the date of judgment at the legal rate, reasonable attorneys’ fees and collection costs.

12. Plaintiff’s lien is prior and superior to any other lien or claim against the Property.

13. Defendant is the real and record owner of the Property.

14. As a result of the default of Defendant, Plaintiff is entitled to foreclosure of Defendant’s interest in the Property and to cause the Property to be exposed to Marshal’s Sale.

WHEREFORE, Plaintiff respectfully prays for an *in rem* judgment in mortgage foreclosure (and not in personam) in the amount of \$82,280.31, together with interest from February 26, 2013, at the contractual rate of 5.375% per annum to the date of judgment, plus interest from the date of judgment at the legal rate, reasonable attorneys’ fees and costs of this suit, and for a judicial sale of the Property and for such other and further relief, both legal and equitable, as this Honorable Court deems just and proper.

Respectfully submitted,

DAVID J. HICKTON  
United States Attorney

/S/ Gary W. Darr

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